

Revenue Announces Threshold Updates Under the Delaware Competes Act

The Division of Revenue announced the annual adjustments to filing thresholds for small businesses and employers under the Delaware Competes Act. These threshold adjustments are intended to ensure that small businesses continue to reap the benefits of the Delaware Competes Act for years to come.

As noted last year, the safe harbor provision for small businesses had been enacted in 1984, but because the original qualification thresholds had not been adjusted, many small businesses had stopped qualifying for the reduced reporting obligations. "Updating thresholds throughout Delaware's tax code reduces administrative and compliance costs for small businesses and the Division of Revenue alike," said Division of Revenue Director, Jennifer Noel. "These adjustments will continue to ensure that the tax code is predictable and fair for small businesses and will maintain the reduced filing frequencies that small businesses benefited from last year."

This notification is part of the Division of Revenue's annual notification process, in which businesses and employers receive updates regarding their filing responsibilities for the upcoming year. The Delaware Competes Act mandates that thresholds are subject to an annual inflation adjustment, meaning that the thresholds' future effectiveness will not erode over time.

New threshold information can be found by visiting the Division of Revenue web site at http://revenue.delaware.gov/services/Business_Tax/Threshold_Update_102017.pdf.